

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 2312
ANSWERED ON 19.12.2025

**NEW PRODUCTION CAPACITY FOR ELECTRIC VEHICLES AND BATTERY
MANUFACTURING UNDER FAME PHASE-II SCHEME**

2312. SHRI TEJVEER SINGH:

Will the Minister of Heavy Industries be pleased to state:

- (a) the progress made in setting up new production capacity for electric vehicles and battery manufacturing under the recently revised FAME Phase-II Scheme and the upcoming EV policy;
- (b) whether Government is considering to provide special incentives to MSMEs for adopting advanced robotics and green technologies in the automobile and machinery sectors, if so, the details thereof; and
- (c) whether the Ministry is formulating any new national plan to establish integrated “Future Mobility Parks” to make India a global auto hub, if so the details thereof?

ANSWER
THE MINISTER OF STATE FOR HEAVY INDUSTRIES
(SHRI BHUPATHIRAJU SRINIVASA VARMA)

(a): The FAME Phase-II Scheme, concluded on 31.03.2024, had no provision of setting up new production capacity for electric vehicles or battery manufacturing. However, the Government on 09.06.2021 notified the Production Linked Incentive (PLI) Scheme “National Programme on Advanced Chemistry Cell (ACC) Battery Storage” in the country with a budgetary outlay of Rs.18,100 crore. This scheme aims to establish a competitive domestic manufacturing ecosystem for 50 GWh of ACC batteries. Under this Scheme, so far, one beneficiary firm has established a giga-scale ACC manufacturing plant with an installed capacity of 1 GWh. It has commenced pilot production.

(b): The Ministry of MSME is implementing "MSE -Green Investments and Financing for Transformation Scheme (MSE-GIFT Scheme)" through SIDBI (Implementing Agency). The overall objective of the MSME GIFT Scheme is to provide support to the MSEs in accessing institutional finance at a concessional rate for adopting clean / green technologies including technologies of Automobile Sector and Electric Vehicles and its Charging Infrastructure and help them to transform into green and sustainable business operations. The Scheme is valid till 2025-26.

(c): No such proposal is presently under consideration with the Ministry of Heavy Industries.
